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Trustee in Bankruptcy
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8 UNITED STATES BANKRUPTCY COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 SAN FRANCISCO DIVISION

11 In re

12 REGAN CARROLL
dba 1169-1177 TENNESSEE ST. INC
13 *dba* THE REDLAND GROUP, INC.
dba 4250 ORCHARD PARK, LLC
14 *dba* DORSEY REDLAND TRUST
dba 713 - 715 SAN BRUNO AVENUE, INC.
15 *dba* THE DORSEY REDLAND ESTATE
dba DOGPATCH REAL ESTATE CO.,
16

Debtor.
17

Case No: 14-30726 HLB
Chapter 7

**MOTION TO SELL REAL PROPERTY
AND TRUSTEE'S INTENT TO PAY REAL
ESTATE COMMISSION
(400 Pelham Road,
Greenville, South Carolina)**

[No Hearing Requested Unless Objection Filed]

18
19 Janina M. Hoskins, Trustee in Bankruptcy of the estate of the above-named Debtor, hereby
20 moves the Court for an order authorizing her to sell the estate's right, title and interest in that
21 certain real property commonly known as 400 Pelham Road, Greenville, South Carolina, 29615,
22 County Tax Parcel #0284000100912 ("400 Pelham Road") to FDH Holdings, LLC or Assigns (the
23 "Buyer") for the sum of \$910,000 cash, subject to overbid and Bankruptcy Court approval.

24 **I.**

25 **400 PELHAM ROAD AND THE BANKRUPTCY ESTATE'S INTEREST IN IT**

26 400 Pelham Road is wholly owned by 713-715 San Bruno Avenue, Inc., a California
27 corporation. It has one shareholder: The Redland Group, Inc., a California corporation for which
28 the Debtor was President until the Trustee substituted in as the sole Shareholder, Director, and

1 Officer, on July 24, 2014. The bankruptcy estate directly and indirectly owns 100% of the shares
2 of the Redland Group, Inc. The bankruptcy estate directly owns 22% of the shares of the Redland
3 Group, Inc. The bankruptcy estate indirectly owns the remaining 78% of the Redland Group, Inc.
4 Specifically, the remaining 78% of the shares of the Redland Group Inc. are owned by the Trust of
5 Dorsey Redland, dated July 2, 1993, as amended by the First Amendment to Trust of Dorsey
6 Redland dated July 20, 1994 and the February 8, 2000 Amendment to Trust of Dorsey Redland
7 (collectively, the “Trust”). The Debtor’s bankruptcy estate is the sole beneficiary and trustee of
8 the Trust. On July 22, 2014, the Debtor and the Trustee entered into an Agreement regarding the
9 Trust pursuant to which the Debtor delegated to the Chapter 7 Trustee the power to exercise any
10 and all management powers under the Trust.

11 Based upon information gathered by the Trustee, which any Buyer or overbidder should
12 verify or evaluate on its own, 400 Pelham Road is a two-story brick veneer office building,
13 supported by approximately 29,000 square feet of land. The building size is approximately 6,000
14 square feet. There are two tenants at 400 Pelham Road, which should generate approximately
15 \$9,916 monthly rent from one tenant and \$1,330 monthly rent from the second tenant. The Trustee
16 believes that the principal tenant's lease expires on December 31, 2016. Again, any information
17 needs to be verified by any Buyer or overbidder. The Trustee is informed and believes that in May
18 2014, a valuation of the building indicated that the value of 400 Pelham Road was \$1,435,000.

19 II.

20 SALE OF 400 PELHAM ROAD

21 The Trustee as seller and the Buyer entered into a Contract of Sale (the “Sale Contract”).
22 The purchase price is \$910,000, which includes a \$20,000 deposit. The remainder of the purchase
23 price is to be paid at close of escrow. The Sale Contract does not include a financing contingency,
24 and provides for the purchase of 400 Pelham Road on an “as is, where is” basis, without warranty
25 or representation from the Trustee seller.

26 III.

27 OVERBID TERMS

28 The sale of 400 Pelham Road is subject to overbid on the following terms:

1. The minimum overbid must be \$935,000 (i.e. \$25,000 more than the price under the Sale Contract).

2. Any further bids will be in increments of not less than \$10,000.

3. Each person or entity that wishes to overbid must provide a deposit of \$25,000 (the "Deposit"), payable to "Janina Hoskins, Chapter 7 Trustee for the estate of Regan Carroll" which Deposit must be in a cashier's check, certified check, or other funds satisfactory to the Trustee, so that it is received no later than **2:00 p.m. on May 7, 2015**, along with a written agreement to buy 400 Pelham Road on equal or better terms as those provided for in the Sale Contract. The Deposit shall be delivered in care of the undersigned, at McKenna Long & Aldridge LLP, One Market Plaza, Spear Tower, 24th Floor, San Francisco, California 94105. Deposits will be returned to any unsuccessful bidders, other than any backup offer that is accepted at the conclusion of an auction. Potential overbidders wanting more information should contact Peter Brett, Coldwell Banker Commercial Caine Peter d/b/a Coldwell Banker Commercial Caine, 117 Williams Street, Greenville, SC 29601, Tel. 864.414.6796 Mobile, 864.250.6815 Direct, 864.250.6859, pbrett@cbccaine.com.

4. The Trustee reserves the right, in her sole discretion, to refuse bids which do not, in her sole opinion, conform with the terms of the Sale Contract and to modify those terms and conditions. The Trustee also, in her sole discretion, will determine the highest and best bid and whether a bid is equal to or better than provided for in the Sale Contract.

5. In the event the Trustee receives a qualifying overbid, an auction will be held on **May 8, 2015**. Parties will be notified of the time and place of an auction, if any auction occurs. Qualified bidders may participate by telephone.

6. The Trustee may accept a backup offer at the auction, if any auction occurs.

7. As noted above, the sale of 400 Pelham Road is on an as-is, where-is basis, without warranty from the seller.

IV.

PAYMENT OF REAL ESTATE COMMISSION

Upon closing of the sale of 400 Pelham Road, the Trustee intends to pay to Peter Brett, the

1 real estate broker employed by the Trustee, a commission of 6% of the selling price of 400 Pelham
2 Road, which is to be split with the Buyer's broker, Langston Black Real Estate.

3 V.

4 **RULE 62(A) OF THE FEDERAL RULES OF CIVIL PROCEDURE AND/OR**
5 **BANKRUPTCY RULE 6004(H)**

6 The Trustee requests that the order approving this proposed sale provide as follows: "This
7 Order is effective upon entry, and the stay otherwise imposed by Rule 62(a) of the Federal Rules
8 of Civil Procedure and/or Bankruptcy Rule 6004(h) shall not apply."

9 VI.

10 **CONCLUSION AND PRAYER**

11 WHEREFORE, the Trustee prays for entry of an order authorizing the sale of 400 Pelham
12 Road, as described above and in the Notice and Opportunity for Hearing on Motion To Sell Real
13 Property and Trustee's Intent To Pay Real Estate Commission (400 Pelham Road, Greenville,
14 South Carolina) filed concurrently herewith.

15 DATED: April 24, 2015

McKENNA LONG & ALDRIDGE LLP

17 By: /s/Michael A. Isaacs, Esq., CSBN 99782
18 MICHAEL A. ISAACS
19 Attorneys for JANINA M. HOSKINS,
Trustee in Bankruptcy

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